



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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February 17, 2005

IN REPLY PLEASE

REFER TO FILE: W-0

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 36, VAL VERDE
MEMORANDUM OF UNDERSTANDING
TO PARTICIPATE IN A STUDY OF COMPREHENSIVE SPHERE OF INFLUENCE
FOR WATER SERVICE IN THE SANTA CLARITA SERVICE REGION AND
RELATED MOU WITH LAFCO
SUPERVISORIAL DISTRICT 5
3 VOTES**

**IT IS RECOMMENDED THAT YOUR BOARD ACTING AS THE GOVERNING BODY
OF LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 36, VAL VERDE:**

1. Delegate authority to the Acting Director of Public Works or his designee to sign a Memorandum of Understanding (Water Agencies MOU) between the Newhall County Water District (NCWD); Valencia Water Company (Valencia); Castaic Lake Water Agency (Castaic); Castaic Lake Water Agency, Santa Clarita Water Division (Santa Clarita); and the Los Angeles County Waterworks District No. 36, Val Verde (District); to participate in a study (Study) of a comprehensive sphere of influence for water service in the Santa Clarita service region by the District funding an amount not to exceed \$7,000 out of an expected \$100,000 needed to complete the Study.
2. Delegate authority to the Acting Director of Public Works or his designee to negotiate and execute a Memorandum of Understanding (LAFCO MOU) between the District and the Los Angeles County Local Agency Formation Commission (LAFCO) for LAFCO to administer a third-party consultant to complete the Study based on the Water Agencies MOU.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The first recommended action delegates authority to the Acting Director of Public Works or his designee to sign the Water Agencies MOU between NCWD, Valencia, Castaic, Santa Clarita, and the District to participate in a Study of a comprehensive sphere of influence for water service in the Santa Clarita service region by the District funding an amount not to exceed \$7,000 out of an expected \$100,000 needed to complete the Study.

The second recommended action delegates authority to the Acting Director of Public Works or his designee to negotiate and execute a LAFCO MOU between the District and LAFCO for LAFCO to administer a third-party consultant to complete the Study based on the Water Agencies MOU.

Implementation of Strategic Plan Goals

This action is consistent with the County Strategic Plan Goal of Service Excellence as it will eliminate overlapping boundaries, duplication of services, redundancy of infrastructures, and will allow the participating water agencies to provide better water service to the residents of the Santa Clarita region.

FISCAL IMPACT/FINANCING

There will be no impact to the County's General Fund. The total cost of the Study is estimated not to exceed \$100,000, and the District's participation is not expected to exceed seven percent of costs or \$7,000. Sufficient funds are available in the Waterworks District No. 36, Val Verde, Accumulative Capital Outlay Fund N47.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

LAFCO is mandated to conduct municipal service reviews as part of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act; CA Government Code §56000 et. seq.) The CKH Act requires commissions to conduct service reviews prior to or in conjunction with sphere of influence updates, and are required to review and update as necessary the sphere of influence for each city and special district not less than once every five years.

LAFCO is responsible for establishing, reviewing, and updating as necessary the spheres of influence for public agencies in Los Angeles County, and, therefore, must also conduct service reviews for services provided by those agencies. It has been

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determined that a specific water service study of the Santa Clarita Regional Area is necessary to complete that Municipal Service Review effort and that the service review of water service providers be conducted by a professional service firm under the operational direction of the LAFCO Executive Officer.

The Study is designed to benefit all of the rate payers in the Santa Clarita region, including the customers of the District, as it will assist LAFCO to eliminate overlapping boundaries, duplication of services, redundancy of infrastructures, and will allow the participating water agencies to provide better water service to the residents of the Santa Clarita region.

ENVIRONMENTAL DOCUMENTATION

This action is a nonproject according to Section 15378 of the California Environmental Quality Act (CEQA) Guidelines and is therefore exempt from CEQA requirements.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no impact on current County services or projects as a result of this action. The proposed study will identify and recommend solutions to water service issues that will benefit the residents of the Santa Clarita region.

CONCLUSION

Upon approval, please return two certified copies of this letter to Public Works, Waterworks and Sewer Maintenance Division.

Very truly yours,

DONALD L. WOLFE
Acting Director of Public Works

MDR:ag
BDL2183

cc: Chief Administrative Office
County Counsel